

## **MAYOR SHAYNE R. GALLO—STATE OF THE CITY**

**MARCH 6, 2012**

This is our city. My city. My mother's. My family's. Yours. We are all stakeholders here. We are all invested. If your kids go to school here-- you're invested. If your family is from here, you're invested. If your business is located here... you're invested. You own property here... you're invested. Even if you rent or just work here-- you're invested. It's a great place to invest, really. I wouldn't want to invest in any other city. I want for us to invest in helping Kingston to actualize itself as a model city. Let's talk about how we can partner and what I am doing ... to see your investments begin to pay off.

There is a consensus of public opinion that in order for our city to succeed as a model city we must change the culture within our city government and also address quality of life concerns that have thwarted our city's growth and development for far too long. Our city government must be restructured to be transparent, accessible and accountable to ensure our government is performing on behalf of the public's best interest. We need to become more user-friendly. The restructure of our government must have, at its core, a more efficient use of our tax dollars in order to provide necessary services and address quality of life issues.

Our government should be managed as a business, similar to how we manage our household finances. As part of our restructuring of government, we must seek to better leverage and save tax dollars wherever feasible by consolidating government services with both Ulster County and surrounding town governments, such as the town of Ulster. We also must restructure our government to make better use of all resources to address the daunting quality of life issues so we attract new residents, successful businesses and professionals to our community.

The restructuring of government can only occur if there is a partnership with everyone in our community. We need you. We can only succeed as a model city if there is a public/private partnership.

### **BUDGET**

The budget is 39 million dollars, and the cost to provide services is \$700,000 per week. Seventy cents of every dollar goes toward personnel related costs. This is unsustainable.

The preparation of the 2013 budget must take into account the unfortunate impact of a one million dollar deficit due to the prior administration's allocation from the city fund balance and the new two-percent tax cap. The two-percent property tax cap is well-intended, however many local officials are arguing that the law is incomplete because as it is, local government is unable to keep up with unfunded state mandates, annually increasing employee health and pension costs and unfair and disproportionate safety net costs. I applaud Governor Cuomo's efforts for reminding the NY State Legislature of the financial impact and hardship of unfunded mandates on local governments.

Do you know what safety net costs are? Ulster County is the only county, in all of New York's 62 counties, which rolls most of its social services costs down to the city. Therefore, the Kingston tax payers

shoulder the burden by paying a disproportionate share of the costs of services rendered to those in need. This is unacceptable, and cannot be sustained by our tax payers.

To meet the two-percent tax cap, I am sending out an S.O.S. to all state representatives and county officials for assistance to avoid further financial hardship, and potential financial ruin, imposed upon our city by the unfunded mandates, ever-increasing health and pension costs and the disproportionate safety net expenses, borne by our tax payers.

Prior to presenting the budget to the council for review and adoption, I shall monitor all government spending whether it be for cell phones, take-home vehicles, employee overtime and time-and-attendance leave accruals, healthcare and pension costs... to cite a few of our expenses.

With the assistance of the City Comptroller, I am reviewing, and where necessary, changing operational policy and procedure of all city departments by enforcing the city's procurement policy and implementing a new centralized, transparent and accountable employee attendance leave accrual and overtime procedure to ensure our precious tax dollars are not wasted.

To safeguard your tax dollars, the City Comptroller shall provide to all city department heads quarterly reports regarding departmental spending, anticipated revenue from grant awards, federal and state aid or other sources. The exchange of this financial spending information shall assist department heads with the preparation of next year's budget and provide a strategic plan in the city's short and long-term financial circumstances. This information shall also be made available to the Common Council.

Simply put, the Mayor, Council, department heads, public employees, must begin preparation for the budget process earlier than in the past. This will also amount to saving taxpayers' dollars. We will review departmental spending, consider anticipated revenue and possible cost savings through consolidation of services or other means when feasible. We will work together to prepare a budget that is fair, reasonable, and in the public's interest... and no one else's.

The State Comptroller is currently auditing the Kingston Fire Department and will expand the audit to the Department of Public Works. The State Comptroller is releasing the Kingston Police Department's audit in a few months. The departmental audits by the State Comptroller are welcomed, and necessary, to continue implementing Best Practices for the budget, departmental operations and procedure-- and to assure the public their tax dollars are protected from fraud, waste and abuse. In the interim, our City Comptroller has already implemented many Best Practices to protect your tax dollars.

To further prevent tax dollar abuse, I am recommending a Whistle-Blower local law and an update of the city's Ethics laws. I have also proposed a Business Advisory Council to advise the Mayor on issues pertaining to the budget, taxes, quality of life, contract negotiations and economic development.

## **CONSOLIDATION OF SERVICES**

As an assistant Corporation Counsel for the city, I was involved in consolidation of the Kingston Fire Department Communication Dispatch with Ulster County 911 Emergency Management resulting in considerable savings for the city. As Mayor, I shall continue to review all of our services, and if feasible,

recommend consolidation. We need to consider consolidation wherever possible to avoid duplication of services and for leveraging our tax dollars as in the case of the proposed tourism consolidation with Ulster County.

## **QUALITY OF LIFE**

We need to address the public's quality of life concerns that have created an eyesore throughout our city, and hampered our progress and development. To that end, I have proposed a Quality of Life Code Enforcement task force comprised of the Building and Safety Division of the Kingston Fire Department, Public Works and Kingston Police Department.

By coordinating the resources and services of each department we can more efficiently and more effectively enforce the city code to eradicate blight caused by unsafe and dilapidated buildings and nuisance in our city. It pleases me to say that this interdepartmental task force has been created at no additional cost to the taxpayer.

I have also recommended several local laws be adopted by the Council to address public concerns as to the Quality of Life in our city. For example, the Rental Safety Certificate, Tenant Accountability Act, Nuisance Abatement, Unsafe and Dilapidated Buildings and Parental Accountability Act.

We will also continue Block-by-Block Code Enforcement. I shall propose a Quality of Life Beautification Volunteer Task Force who will assist with clearing and maintaining our city street medians, plant flowers, urban gardens and flower boxes throughout the city. I will ask for volunteers of all ages and backgrounds to be a part of this task force to beautify the city, and will call upon these volunteers to be good neighbors to our seniors.

## **PUBLIC SAFETY**

Everyone in our city deserves to be safe. Through Community Policing, we can reconnect all of our neighborhoods into One Great Community.

Our police department is dedicated to protect and serve. By simply reallocating resources the department has implemented a Street Crimes Unit, Youth Bureau, beat cops on our street who are mindful of Quality of Life concerns. This has all been accomplished without spending any additional taxpayers' dollars, and has generated a new community spirit and positive morale and investment in our city by department personnel. This is literally what Community Policing is about-- it kindles enthusiasm and support from our residents, businesses and professionals.

With all this falling into place, we now have begun the process of reviewing and considering midtown locations for a police precinct or police station. I ask for your support and partnership for that to happen.

## **ECONOMIC DEVELOPMENT**

To develop the economy in our city we need to consider our assets and harness the energy of our homegrown talents. Since we are addressing our Quality of Life concerns, we can create a climate to attract new residents and business to “partner” and invest in our city with us. We must position our city to be competitive in Governor Andrew Cuomo’s Economic Development Strategy, specifically the Governor’s Consolidated Grant-Writing Process/ Regional Economic Development Councils.

Governor Cuomo gets it. Our governor understands that we must have a business-friendly climate and restructure government to be more accountable to the taxpayers. Our governor understands-- and we local officials should take notice-- that tax dollars are limited, and should be leveraged to promote economic development throughout our city and state.

In response to the governor’s economic development initiatives, I have restructured Kingston’s Office of Economic Development. The restructuring of the department enables our city to be competitive in this arena. By participating in the regional council/consolidation grant-writing process, the city can leverage tax dollars by bundling available grant awards from Department Environmental Conservation, Department Of State, Department Of Transportation and Office of Parks and Recreation. Basically, we have to be “in it to win it”.

Since taking office, my administration has pursued the consolidation of our tourism agency with Ulster County. This consolidation shall result in not only the savings of tax dollars, but also provide much-needed advertising of our city’s events, festivals, waterfront, arts, and historical heritage.

Ulster County tourism is over a four hundred million dollar industry, and is an engine for economic development for our city, county and region.

As part of our economic development strategy, the city should promote and market our business park to attract manufacturers. I have been negotiating with two credible, reputable manufacturing companies to do business in Kingston at the Colony Liquor site. The city, county Industrial Development Agency and Ulster County Development Corporation, Town of Ulster’s Supervisor James Quigley have collaborated in a partnership to make this happen. This represents a 12 million dollar project and could mean 100-150 good-paying manufacturing jobs with benefits. The project will also include expansion and increasing employment opportunities for our city. One of the involved businesses shall vacate a site in Kingston which will open up a new site for a new manufacturer who is ready, willing and able to do business here in our city.

The Kingston Local Development Corporation is another tool, providing loans to businesses and professionals who are expanding and increasing jobs for our city necessary to attract new businesses to our community. I am going to recommend to the KLDC the approval of a small business loan to Bronx Soda Pop-- an example of how a small business can contribute to the growth of our local economy. This company is a well-recognized downstate business which has received attention from New York City-metro media. I am also in contact with other local business in need of capital to expand their businesses and create more employment opportunities for our city.

By restructuring government to address quality of life concerns, this is the ideal time to connect the many projects which will make our city a model city.

I am pleased to announce the Trolley Museum and Kingston Land Trust have agreed to partner on the installation of a Rail Trail from the Strand to East Chester Street. Also the first stage of the Abeel Street project shall commence this Spring. It will provide for new bluestone sidewalks, curbing, lighting, and access from Block Park to the Promenade on the Waterfront.

The Clearwater shall begin construction of a barn on the waterfront which will be completed in the fall. The trolley line will be refurbished, continuing the connection to Kingston Point, and should also be completed by the fall. The AVR/Hudson Valley Landing project shall eventually connect to the trolley line, extending from Kingston Point.

The AVR Project Group is in the process of preparing specs, and plans for installation of a one-mile long promenade stretching from North Street to East Kingston in the town of Ulster. The office of Economic Development is assisting the AVR Group to facilitate the promenade, which will contribute to making our city a model city and destination point. Our city will have the longest walkway along the Hudson from Albany to Yonkers. We can connect the Abeel Street, Waterfront promenade and Trolley Line Trail to the AVR/Hudson Valley Landing Mile Walkway.

I would like to thank Supervisor James Quigley with his assistance in the negotiation of a shared services agreement for the Sewer District for the AVR/Hudson Valley Landing project. The city, town and county are collaborating as partners to ensure the success of this regional project.

The AVR/Hudson Valley Landing project expands the Kingston neighborhood and showcases to the entire Hudson Valley region our neighborhood that is rich in culture, history, ethnicity; watersheds and view sheds. It will highlight the contribution and diversity of our community to all of New York State.

With the assistance of the office of Economic Development and Planning and Engineering, I shall prepare and issue Requests For Proposals for the parking garage and King's Inn. I am pleased to report that my office has received interest from local and out-of-state developers for these sites.

The town of Rosendale is extending its rail trail to South Wall Street. The town of New Paltz is extending the Gardiner Rail Trail to Highland, which provides access to the Walkway over the Hudson and then to the Dutchess Rail Trail system. Ulster County is extending the rail trail from Washington Ave/Route 209 Hurley. The city must connect waterfront to midtown and uptown. The rail trails provide connectivity to the surrounding towns, and contribute to the city's and regional economic development. The city will pursue a partnership with the county and surrounding towns in order to capitalize on the proposed trails which offset costs of providing services.

The Comprehensive Master Plan will serve as a viable blueprint for economic development in our model city, and I have had preliminary discussions with County Executive Michael Hein and Ulster Town Supervisor James Quigley to establish a Rondout Local Development Corporation to be used as a framework source of funding and to connect the network of projects on the waterfront throughout and

outside our city. A local development corporation for the Rondout could not only assist in attaining state and federal monies, but also link our model city to a source of funding from grant-giving foundations as well.

Community development provides funds for community projects and infrastructure repair, and to provide further linkage with the goals of our Economic Development office and the county's UCDC and IDA.

Another economic development strategy focuses on our assets, such as our parks. So many people have said to me that we need to improve the facilities in the parks. I will use the office of Economic Development to vigorously pursue any state or federal monies available for that.

Our city is alive with community spirit and a willingness to partner with government. Ron Woods, a Kingston Recreation Department Commissioner, and other donors, are dedicated to improving the Forsyth Parks Tennis Courts, which need a face-lift to make the park a venue for youth and adults throughout the city and region. I am excited to support this initiative to establish Kingston as a venue for competitive tennis. I recently met with volunteers trying to establish a dog park at the Kingston Point, which will attract people to Kingston and stimulate interest in our art galleries, festivals, historical heritage, fine restaurants, outdoor recreation, interest in the waterfront and more.

The Movies Under the Stars program will use the waterfront, our parks, recreational centers and possibly even the King's Inn site, as venues for showing family movies. I am excited that the program will engender a renewed energy and pride, and help families experiencing tough financial times to enjoy a cost-free night-out in a wholesome family venue.

Kingston is on the right track. We should continue those projects and create even more opportunities to generate sorely needed revenue to help sustain our community. Proof that we are on the right track?

Uptown Stockade District is seeing new expansion and business. Midtown Arts Business Digital Corridor is enjoying interest from entrepreneurs who are investing in our model city. The Rondout Waterfront has those projects in store, and can boast that it regularly draws crowds of hundreds of residents and tourists enjoying the art galleries, museums, restaurants and promenade. Last year, one of our local restaurants catered an event for the New York Yacht Club at our waterfront. There were over 500 people in attendance last year at a chamber mixer enjoying themselves on the waterfront.

## **MODEL CITY**

Why is Kingston a model city? We are the first Capital of the great State of New York. The NYS Senate first convened in the Uptown Stockade District at the Senate House. Governor George Clinton, who was a part of our state's development and heritage, is buried in the Old Dutch Cemetery. Kingston was a focal point for the Hudson River Quadra-Centennial, commemorating Henry Hudson and the river's beauty and majesty.

Our city is one of the most unique municipalities in the state, as evidenced by a diverse population and architecture, beautiful waterfront with deep water port; historical heritage, a lunch bucket

manufacturing background which contributed to the growth and development of our state; a thriving and ever-evolving arts and digital community and venue for competitive sports and recreational activities on land and the Hudson River. We have it all... people, places and many, many things to do. The individuality of Kingston gives us a sense of pride, cultural awareness and place. We have all earned and deserve the pride we have in our city. We truly are a sustainable community to be proud of.

So after all this do you agree that Kingston is a good investment? If so, I welcome the opportunity to partner with all of you. Thank you all for listening and thank you to all our hard-working public employees --our partners for making this city a model city.

-----